

INSTRUMENT NO. 020000391
Recorded in the Clerk's Office
of Dickenson County

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

SUPPLEMENTAL ORDER REGARDING

DOCKET NO. VGOB 01-0821-0919

ELECTIONS, UNIT: VC-504484

(hereinafter "Subject Drilling Unit")

REPORT OF BOARD


FINDINGS AND ORDER

1. This Supplemental Order is entered by the Board sua sponte in the form authorized by the Board at its hearing held at 9:00 a.m. on October 20, 1992, Board of Supervisors Room, Courthouse, Grundy, Virginia, and pursuant to authority granted to the Board's Chairman at the hearing of the Virginia Gas and Oil Board on June 16, 1992, at 9:00 a.m. at the Rhododendron Restaurant at the Breaks Interstate Park, Breaks, Virginia; and this Supplemental Order is being recorded for the purpose of (1) complying with the requirement of the Virginia Gas and Oil Board Regulations, 4 VAC 25-160.70C by supplementing the Order previously issued by the Board for subject Docket on October 3, 2001 and recorded at Book 368, Page 670 in the Office of the Clerk of Circuit Court, Dickenson County, Virginia on October 4, 2001 (herein "Board Order") to complete the record regarding elections. The Board Order pooled all interest in Subject Drilling Unit including those of the Respondents more particularly set forth and identified by the Designated Operator in the affidavits attached hereto and made a part hereof. The Board finds it has jurisdiction over the subject matter pursuant to the provisions of the Virginia Gas and Oil Act, § 45.1-361.1 et seq., Virginia Code, 1950 as amended.
2. Findings: The Board finds that:
 - (a) The Board Order directed Equitable Production Company, (herein the Designated Operator"), to mail copies of the Board Order to all respondents whose interest, if any, were pooled by said Board Order;
 - (b) The designated operator filed its affidavit of mailing dated October 17, 2001, disclosing that it had mailed a correct copy of the Board's Order to all Respondents whose interest, if any, were pooled by said Board Order;
 - (c) The Board Order required each Respondent whose interest, if any, were pooled by the terms of said Board Order to make his or her election within thirty (30) days after the date of mailing or recording, as applicable, of said Order; the Designated Operator has filed its affidavit dated February 7, 2002, in accordance with § 7.C of the Virginia Gas and Oil Board Regulations and 4 VAC 25-160.70C (herein "Affidavit of Election"), wherein it has, for each Respondent whose interest, if any, were pooled by said Board Order, stated: (i)

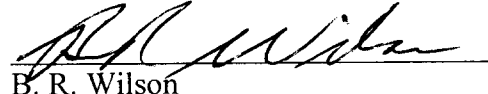
whether each Respondent has made or failed to make a timely election; (ii) the nature of the election made, if any; (iii) whether, by reason of a failure to elect or to timely elect one or more Respondents are deemed, under the terms of the Board's Order, to have leased all their rights, title, interest, estates and claims in Subject Drilling Unit to the Designated Operator;

- (d) The Board Order further required the Designated Operator, after expiration of the election period, to file with the Board a statement of the interests subject to escrow under the terms and provisions of the Board Order, in light of the elections made or deemed to have been made (herein "Statement of Interests"); that the Designated Operator furnished said Statement of Interests as part of its Affidavit of Election. A copy of which is attached hereto as Exhibit B;
 - (e) Current Board standards requiring the escrow of funds and the Board's agreement with its Escrow Agent, First Union National Bank, Corporate Trust, PA 1328, 123 Broad Street, Philadelphia, PA 19109-1199, (888) 396-0853, Attn: Don Ballinghoff, or any successor named by the Board, require the entry of a Supplemental Order establishing of record the elections made or deemed to have been made and specifying the sums or percentage thereof subject to escrow. Current Board escrow standards were made applicable to Subject Drilling Unit by a Board Order dated December 23, 1992.
3. Order: By this Order, the Board orders the Designated Operator to tender, consistent with and in accordance with the findings set forth at paragraph 2 above and the annexed Affidavits, any funds subject to escrow and instructs the Escrow Agent, First Union National Bank, Corporate Trust, PA 1328, 123 Broad Street, Philadelphia, PA 19109-1199, (888) 396-0853, Attn: Don Ballinghoff, or any successor named by the Board to establish interest-bearing escrow account(s), IRS Tax Identification Number 54-1629506, in accordance with the information set forth in said affidavits to receive such funds and account to the Board therefore.
 4. Mailing of Order and Filing of Affidavit: The Designated Operator under the captioned Order or its Attorney shall file an affidavit with the Secretary of the Board within ten (10) days after the date of receipt of this Order stating that true and correct copy of this Order to each person whose interest or claim is subject to escrow and whose address is known.
 5. Conclusion: Therefore, the findings and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.
 6. Effective Date: This Order shall be effective on the date of its execution.

DONE AND EXECUTED this 13th day of February, 2002 by a majority of the Virginia Gas and Oil Board.

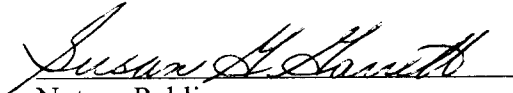

Chairman, Benny R. Wampler

DONE AND PERFORMED THIS 25th day of February, 2002 by Order of this Board.


B. R. Wilson
Principal Executive to the Staff
Virginia Gas and Oil Board

STATE OF VIRGINIA)
COUNTY OF WISE)

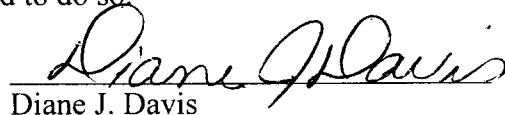
Acknowledged on this 13th day of February, 2002, personally before me a notary public in and for the Commonwealth of Virginia, appeared Benny R. Wampler, being duly sworn did depose and say that he is Chairman of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.


Notary Public

My commission expires: 7-31-02.

STATE OF VIRGINIA)
COUNTY OF WISE)

Acknowledged on this 25th day of February, 2002, personally before me a notary public in and for the Commonwealth of Virginia, appeared B. R. Wilson, being duly sworn did depose and say that he is Principal Executive to the Staff Virginia Gas and Oil Board, that he executed the same and was authorized to do so.


Diane J. Davis
Notary Public

My commission expires: 9/30/05.

VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE: Application of Equitable Production Company, for Forced Pooling of Interests in Unit Number VC-504484 VGOB Docket No. VGOB-01-0821-0919 in the Kenady Magisterial District of Dickenson County, Virginia.

AFFIDAVIT OF WILHOIT & KAISER, Attorneys-at-Law, Agents for the Designated Operator REGARDING ELECTIONS, ESCROW ACCOUNTS AND SUPPLEMENTAL ORDER

James E. Kaiser (herein Affiant), being first duly sworn on oath, deposes and says:

1. That the Affiant is an attorney in the law firm of WILHOIT & KAISER, the Agent for the Designated Operator, with offices located at 220 Broad Street, Kingsport, Tennessee 37660, and is authorized to give this Affidavit in its behalf;
2. That the Order entered on October 3, 2001, by the Virginia Gas and Oil Board regarding the captioned coalbed methane Unit required the Applicant to mail a true and correct copy of said Order to each person pooled by said Order;
3. That within seven (7) days of the receipt of an executed copy of the Order referred to at Paragraph 2. above, the Affiant was directed to cause a true and correct copy of said Order to be mailed via the United States Postal Service to each Respondent named in the captioned Application, whose address was known, and to all persons, if any, who are added as Respondents at the hearing held in the captioned matter;
4. That the Order of the Virginia Gas and Oil Board in the captioned matter required all persons pooled thereby to tender their written elections to the Unit Operator within thirty (30) days of the date said Order was recorded in the county above named; that said Order was recorded on October 4, 2001.
5. That the Designated Operator, by and through their agent, Wilhoit & Kaiser, Attorneys-at-Law, have established procedures to review all mail received and all written documents received by means other than by mail to ascertain whether parties whose interest have been pooled have made a written election, in a timely fashion, as required by the captioned Order; that said procedures were followed to identify the elections, if any, made with regard to Subject Unit; that the following persons delivered, by mail or otherwise, written elections to the Unit Operator, within the thirty day election periods:

Tract	Name	Cash Consideration
2	Curtis and Mable Bise, H/W	0.7033 Acres X \$5 = \$3.52
Gas	4218 Highway 144 South	
Estate	Glen Rose, TX 76043	

2	Larry Houston, single	0.7033 Acres X \$5 = \$3.52
Gas	1591 Muddy Creek Road	
Estate	Blountville, TN 37617	

6. That the interest and/or claims of the following persons (who made timely elections, or who are deemed under the terms of the Board's Order to have leased, or who, subsequent to the pooling hearing held in the captioned matter, have leased or otherwise entered into an agreement with the Designated Operator) are subject to escrow under the Board's Order pooling the captioned Unit, Board Regulations and the Code of Virginia; that opposite the name of each person named as a Respondent listed below is set forth:

Tract	Name	Royalty Interest
2	Imogene Adkins	0.00037396 RI
	Dudley Redden Unknown	0.00012466 RI
	Tim Redden Unknown	0.00012466 RI
	Angela Redden Unknown	0.00012466 RI
	Edith A. Goodman, widow Unknown	0.00037396 RI
	Bruce Adkins and Norma Adkins, H/W Unknown	0.00037396 RI
	Curtis Bise and Mable Bise, H/W	0.00149583 RI
	Lorene Wells and Ralph Wells, W/H Unknown	0.00149583 RI
	Larry Houston, single	0.00149583 RI

Selma Adkins 0.00149583 RI
Unknown

Bill Nash, single 0.00149583 RI
Unknown

Welford Dotson, single 0.00149583 RI

Donald R. Hilton and 0.00149583 RI
Carolyn Hilton, H/W

Albert C. Adkins and 0.00122386 RI
Eva Adkins, H/W

E. C. Adkins and 0.00027197 RI
Cloria M. Adkins Burnside
their Heirs Successors and Assigns
Unknown

OR

Pittston Company 0.01346250 RI
c/o Pine Mountain Oil & Gas, Inc.
Attn: Richard Brillhart
P O Box 5100
Lebanon, VA 24226

7. That after the pooling hearing held in the captioned matter, the following persons have leased or entered into a voluntary agreement with the Designated Operator with regard to their interest and/or claims which are not subject to escrow:

NONE

8. That the following persons have not made a timely election and have failed to enter into an agreement with the Designated Operator and their respective interests shall be deemed to have leased pursuant to and in accordance with paragraph 10 of the Order.

Tract	Name	Cash Consideration
2	Imogene Adkins Box 266 Clintwood, VA 24228	0.1758 Acres X \$5 = \$.88 <i>Subject to Escrow</i>
	Dudley Redden Unknown	0.0586 Acres X \$5 = \$.30 <i>Subject to Escrow</i>
	Tim Redden Unknown	0.0586 Acres X \$5 = \$.30 <i>Subject to Escrow</i>

Angela Redden Unknown	0.0586 Acres X \$5 = \$.30 Subject to Escrow
Edith A. Goodman, widow Unknown	0.1758 Acres X \$5 = \$.88 Subject to Escrow
Bruce Adkins and Norma Adkins, H/W Unknown	0.1758 Acres X \$5 = \$.88 Subject to Escrow
Lorene Wells and Ralph Wells, W/H Unknown	0.7033 Acres X \$5 = \$3.52 Subject to Escrow
Selma Adkins Unknown	0.7033 Acres X \$5 = \$3.52 Subject to Escrow
Bill Nash, single Unknown	0.7033 Acres X \$5 = \$3.52 Subject to Escrow
Albert C. Adkins and Eva Adkins, H/W	0.5755 Acres X \$5 = \$3.52
E. C. Adkins and Cloria M. Adkins Burnside their Heirs Successors and Assigns Unknown	0.1279 Acres X \$5 = \$3.52 Subject to Escrow

That pursuant to the provision of 4VAC 25-160.70C annexed hereto and incorporated herein is a proposed supplemental order to be entered to complete the record regarding elections; that said annexed supplemental order sets forth that the services of the Escrow Agent are required in this matter pursuant to the terms of §§ 45.1-361.21.D.

Dated at Kingsport, Tennessee, this 7th day of February 2002.

James E. Kaiser
Affiant

Taken, subscribed and sworn to before me by James E. Kaiser, the Agent of Equitable Production Company, a corporation, on behalf of the corporation, this 7th day of February 2002.

My commission expires: 3-13-04

Quita K. Smith
Notary

BK-373PG 084
EXHIBIT B
VC-504484
VGOB 01/08/21-0919

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>	<u>NET REVENUE INTEREST</u>
<u>Gas Estate Only</u>					
1	Pittston Company c/o Pine Mountain Oil & Gas, Inc. Attn: Richard Brillhart PO Box 5100 Lebanon, VA 24226	Leased-EPC 241490L Tract TL-211	89.230000%	52.4400	0.11153750 RI
	Equitable Production Company				0.78076250 WI
Tract 1 Totals			89.230000%	52.4400	0.89230000
2	Imogene Adkins Box 266 Clintwood, VA 24228	Unleased	0.299167%	0.1758	0.00037396 RI
	Dudley Redden Unknown	Unleased	0.099722%	0.0586	0.00012466 RI
	Tim Redden Unknown	Unleased	0.099722%	0.0586	0.00012466 RI
	Angela Redden Unknown	Unleased	0.099722%	0.0586	0.00012466 RI
	Edith A. Goodman, widow Unknown	Unleased	0.299167%	0.1758	0.00037396 RI
	Bruce Adkins and Norma Adkins, H/W Unknown	Unleased	0.299167%	0.1758	0.00037396 RI
	Curtis Bise and Mable Bise, H/W 4218 Highway 144 South Glen Rose, TX 76043	Deemed Leased	1.196667%	0.7033	0.00149583 RI
	Lorene Wells and Ralph Wells, W/H Unknown	Unleased	1.196667%	0.7033	0.00149583 RI

EXHIBIT "B" 373PG 085
VC-504484
VGOB 01/08/21-0919

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>	<u>NET REVENUE INTEREST</u>
	Larry Houston, single 1591 Muddy Creek Road Blountville, TN 37617	Deemed Leased	1.196667%	0.7033	0.00149583 RI
	Selma Adkins Unknown	Unleased	1.196667%	0.7033	0.00149583 RI
	Bill Nash, single Unknown	Unleased	1.196667%	0.7033	0.00149583 RI
	Welford Dotson, single Route 2, Box 315 Coeburn, VA 24230	Leased-EPC 245752L 01	1.196666%	0.7033	0.00149583 RI
	Donald R. Hilton and Carolyn Hilton, H/W 404 Punch Run Road Front Royal, VA 22630	Leased-EPC 245752L 02	1.196666%	0.7033	0.00149583 RI
	Albert C. Adkins and Eva Adkins, H/W HC05, Box 662 Coeburn, VA 24230	Unleased	0.979090%	0.5755	0.00122386 RI
	E. C. Adkins and Cloria M. Adkins Burnside their Heirs Successors and Assigns Unknown	Unleased	0.217576%	0.1279	0.00027197 RI
	Equitable Production Company				0.09423750 WI
Tract 2 Totals			10.770000%	6.3300	0.10770000
TOTAL GAS ESTATE			100.000000%	58.7700	1.00000000

EXHIBIT "B" BK 373 PG 086
VC-504484
VGOB 01/08/21-0919

<u>TRACT</u>	<u>LESSOR</u>	<u>LEASE STATUS</u>	<u>INTEREST WITHIN UNIT</u>	<u>GROSS ACREAGE IN UNIT</u>	<u>NET REVENUE INTEREST</u>
<u>Coal Estate Only</u>					
1	Pittston Company c/o Pine Mountain Oil & Gas, Inc. Attn: Richard Brillhart PO Box 5100 Lebanon, VA 24226	Leased-EPC 241490L Tract TL-211	89.230000%	52.4400	0.11153750 RI
	Equitable Production Company				0.78076250 WI
Tract 1 Totals			89.230000%	52.4400	0.89230000
2	Pittston Company c/o Pine Mountain Oil & Gas, Inc. Attn: Richard Brillhart PO Box 5100 Lebanon, VA 24226	Leased-EPC 244792L TC-153	10.770000%	6.3300	0.01346250 RI
	Equitable Production Company				0.09423750 WI
Tract 2 Totals			10.770000%	6.3300	0.10770000
TOTAL COAL ESTATE			100.000000%	58.7700	1.00000000

INSTRUMENT #0200000391
RECORDED IN THE CLERK'S OFFICE OF
DICKENSON ON
FEBRUARY 25, 2002 AT 12:48PM
JOE TATE, CLERK

VIRGINIA: IN THE OFFICE OF THE CLERK OF THE CIRCUIT COURT OF DICKENSON COUNTY, February 25, 2002. This deed was this day presented in said office, and upon the certificate of acknowledgment thereto annexed, admitted to record at 12:48 o'clock P M, after payment of \$ _____ tax imposed by Sec. 58.1-802.

Original returned this date to: Diane Davis

TESTE: JOE TATE, CLERK
BY: Tracey Baker D. CLERK

COMMONWEALTH OF VIRGINIA



REGIONAL RECEIPT
DICKERSON CIRCUIT COURT
DEED RECEIPT

DATE: 02/25/02 TIME: 12:52:50 ACCOUNT: 05:0000000000 RECEIPT: 00000001139
CASHIER: JUE REG: 0006 TYPE: OTHER PAYMENT: FULL PAYMENT
INSTRUMENT : 0200000391 BOOK: 373 PAGE: 077 RECORDED: 02/25/02 AT 12:45
GRANTOR NAME : VIRGINIA GAS AND OIL BOARD EX: N LOCALITY: 00
GRANTEE NAME : EQUITABLE PRODUCTION COMPANY EX: L PERCENT: 100%
AND ADDRESS : KINGSBURY, TN
RECEIVED OF : DEPT MINES MINERALS ENERGY DATE OF DEED: 02/07/02

CHECK : \$19.00
DESCRIPTION 1: REPORT OF BOARD FINDINGS AND ORDERS WELL PAGES: 10
2: #VC 504484 NAMES: 2

CONSIDERATION:	.00	ASSUME/VAL:	.00	MAP:
CODE DESCRIPTION	PAID	CODE DESCRIPTION	PAID	
301 DEEDS	14.50	145 VSLF	1.50	
106 TECHNOLOGY FUND FEE	3.00			

TENDERED : 15.00
AMOUNT PAID: 15.00
CHANGE AMT : .00

CLERK OF COURT: JOE TATE